

**CHAMBER OF COMMERCE – COLORADO SPRINGS 2011  
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Thank you for that kind introduction. My wife, Jeanie and I are always honored to be invited to this annual lunch.

Recently, a reporter from the Denver Post commented when he heard that I will be serving a third term on the Armed Services Committee – “I remember when Doug had nothing but a letter promising he was next in line for a seat!”

Colorado Springs – we have come a long way together. Jeanie and I are very grateful for the trust you have placed in me and the kindness you have shown us both.

When we were last together, you will remember, it was on the eve of the historic vote on the healthcare bill. For those of us who do not believe bigger and more powerful government is the answer, but rather letting Americans have the freedom to chart their own destiny, it was a dark time. But what a difference an election makes! The American people voted in a new Congress – with new priorities. They know that we cannot continue down the path of trillion dollars deficits. Now is the time to put our financial house in order.

Today, I want to address federal spending and the debt. We know that when one in ten Americans are out of work and struggling to pay their bills, they don't want to see a bloated federal government overtaxing and overspending. So far, the only proposal for REAL cuts in federal programs from the Obama Administration has been in the area of national defense. I want to comment on our national defense and its place in the budget. Let's also talk about federal regulations, including ObamaCare. Also, I want to share with you my plan for increasing domestic energy production. I believe that America's vast natural resources hold the key to growing our economy and getting people back to work.

**FEDERAL SPENDING**

Late last month, the Congressional Budget Office released its economic outlook for fiscal years 2011 - 2021. It is a grim report. The CBO's report paints a picture that is more sobering than most Americans anticipate. The next fiscal decade will be our worst if something isn't done, with debt held by the public nearly doubling in size.

**Key findings in the report:**

- By 2021, the national debt is estimated to reach \$25.046 trillion, an increase of nearly \$11 trillion -- or 78 percent, over today's \$14 trillion.
- The 2011 annual deficit is estimated to reach an all time record high of \$1.48 trillion. This would be the highest deficit on record and would be \$186 billion or 14.3 percent above last year's \$1.294 trillion deficit.

It can be hard to fully understand what these numbers mean. But I think I can put it into some context for you: our federal debt is increasing by \$54,373 every second. At this dangerous rate, our debt will be \$18.6 trillion at the end of the president's term — an unimaginable explosion of 75 percent above and beyond the debt accumulated by all of his 43 predecessors combined.

In some of our first votes of the new 112<sup>th</sup> Congress, I voted with the majority to pass several bills to begin cutting federal spending. I supported a resolution to cut non-security spending back to 2008 fiscal year levels – saving taxpayers up to \$80 billion. I also voted to reduce federal spending by eliminating taxpayer financing of presidential election campaigns and party conventions, saving \$617 million over ten years. I also voted to repeal the Democrats' healthcare law – I will talk more about a little later.

The largest House caucus, the Republican Study Committee, has seized upon my bill to eliminate all federal funding for the Corporation for Public Broadcasting (CPB), the parent organization for National Public Radio (NPR). My bill is included in the caucus' larger bill, the Spending Reduction Act. This Act is a credible, comprehensive bill aimed at cutting nearly \$2.5 trillion in federal spending over the next decade. Below are some of the other highlights of the Spending Reduction Act:

- The bill would end federal control of Fannie Mae and Freddie Mac, saving taxpayers about \$30 billion.
- Eliminate funding for the new healthcare law's administrative costs, saving taxpayers about \$1billion.
- The bill targets over 100 specific budget items and spending reforms, such as eliminating Amtrak subsidies, ethanol subsidies, and many other cuts.

Like I tell my colleagues in the House, we have to be serious about cutting spending – and that will mean some tough votes. We can save a program, or we can save our country. That is the choice facing us today.

And don't be fooled when you hear some in Washington talk about "investing" in the economy. That's often a euphemism for more government spending. President Obama used the word

“investment” 14 times when he signed the failed stimulus package, which I voted against, into law.

## **TOO MUCH REGULATION**

Cutting spending, keeping taxes low, and holding off job-crushing regulations will unleash the power of the most dynamic elements of our economy – small businesses and entrepreneurs. The new jobs we all want to see created don’t come from government, they come from the private sector. Besides crowding out private investment, massive deficit spending threatens to bankrupt the country.

High taxes hamper our economy by taking money out of the hands of families and job creators. At the end of last year, Congress passed a two year extension of the Bush tax cuts. I actually think Republicans should have held out for a permanent extension of those cuts and for less deficit spending in the package. But, this is a huge win given the fact that the White House and the Senate are controlled by the other party.

We know that government tax policies have caused tremendous uncertainty for small businesses. I believe this short term extension helps a little to give business owners a sense of certainty in making important decisions about hiring and expanding. H.R. 206, however, which I have co-sponsored, would permanently extend the Bush tax cuts.

Additionally, the new healthcare law has created tremendous uncertainty for businesses. One of the single most burdensome tax implications of ObamaCare is the onerous “1099 paperwork mandate.” It would require small businesses to file a form with the I.R.S. or every \$600 purchase. The Senate voted last week to eliminate this onerous mandate, and I am sure the House will follow suit quickly.

Federal regulations cost the private sector an astonishing \$1.75 trillion last year, according to the Small Business Administration. For firms with fewer than 20 people, like many of yours, regulatory compliance costs an average of \$10,585 per employee.

"Major" regulations are those that cost the economy at least \$100 million annually. The Obama administration promulgated 121 major regulations over the last two years, with 191 more in the works. That is why I have co-sponsored H.R. 10, the REINS Act which allows Congress to veto major regulations and rule changes.

The new healthcare law and the Dodd-Frank financial bill combined could result in over 280 new federal regulations.

And while it appears the job-killing Cap and Trade bill isn’t going anywhere in Congress now – there are still concerns that the Obama Administration will attempt to implement its anti-carbon

policies through regulation. That is why I have co-sponsored H.R. 153, which would prevent the Environmental Protection Agency from doing just that.

Additionally, H.R. 97, which I have also co-sponsored, prevents the EPA from regulating carbon dioxide as a pollutant and from implementing global warming regulations

## **DEBT CEILING**

As members of Congress debate whether to raise the U.S. debt ceiling—the limit on our government's debt—we should all agree on at least one thing: Under no circumstances is it acceptable for the U.S. to default on its debt. I have co-sponsored the Full Faith and Credit Act, which requires the Treasury to pay all obligations on the debt. Not only are we morally obligated to honor our debts, but we benefit greatly from the promise that those who lend to us will always be repaid, on time and in full. We should never undermine that promise.

However, I flat out refuse to raise the debt ceiling limit if Congress does not put in place structural reform to limit spending. For instance, I have co-sponsored three different resolutions all aimed at amending the Constitution so that Congress must pass a balanced budget each year.

The vote on whether to raise the debt ceiling—and, if so, by how much—is our best opportunity to insist that any increase in our nation's debt be coupled with concrete steps toward fiscal sanity. Congress should make increasing our debt contingent on immediate cuts in spending and effective reforms of the spending process that got us into this mess. If this is not done, I cannot support raising the debt ceiling.

## **ENERGY PRIORITIES**

In the area of energy, where I am honored to now serve as Chairman of the Energy and Minerals Subcommittee in Natural Resources, the Obama Administration has made it increasingly difficult for our energy producers to access domestic reserves.

A recent study by the respected Western Energy Alliance – based in Denver -- has documented \$3.9 billion in investment that was diverted from the West in 2010 because of red tape and overregulation by the Department of Interior. The Western Energy Alliance estimates this lost investment could have helped create upwards of 16,000 jobs in the West. And these are high-paying jobs.

Few people know the full job impact of energy and mineral development in the United States. America's oil and natural gas industry supports 9.2 million jobs throughout the economy and is responsible for 7.5 percent of GDP. From 2004 to 2007, the oil and natural gas industry was

responsible for creating nearly 2 million additional domestic jobs. Nearly 400,000 people work directly in mining throughout the United States. Employment in industries that support mining, including manufacturing, engineering, and environmental and geological consulting accounts for nearly 1.5 million jobs.

The Energy and Minerals subcommittee also oversees the collection of royalties that companies pay the federal government for access to energy reserves on public lands. In 2008, the federal government raised more than \$23 billion in these types of revenues. Today, with oil prices at or near the same level, the revenue estimates for fiscal year 2011 are about \$7.5 billion, a decline of more than 60 percent. At a time of record national debt and federal budget deficits, as well as high unemployment, it is critical for the subcommittee to review this decline and consider ways to reinvigorate this vital revenue source.

The oil shale lands managed by BLM are the largest known concentration of oil shale in the world – what the U.S. Geological Survey estimates to be the equivalent of 800 billion barrels of recoverable oil. If so, this resource would be enough to meet U.S. demand for oil at current usage levels for 110 years. We need to reverse the uncertainty this Administration has injected into the commercial shale rules. These steps have resulted in a significant decline in private sector investment and research on oil shale.

In the last year, there were significant concerns about the ability of business, industry, and government to obtain strategic minerals. This is a serious national economic and security problem. The subcommittee will conduct oversight on a broad range of strategic minerals, including, but not limited to, rare earth metals, uranium, and copper.

## **REPEAL OF THE HEALTHCARE LAW**

Last week, a Florida federal judge ruled that the new healthcare law requirement that nearly every American purchase government-sanctioned health insurance, even if they don't need it or don't want it, is unconstitutional. In the case brought by 26 States – including Colorado - and the National Federation of Independent Businesses, the judge ruled that the individual mandate is not a constitutional exercise of Congress' Commerce Clause power. The judge also struck down the entire law because there was no severability clause.

This decision reinforces what most Americans already believe: that Congress does not and should not have the power to require nearly all Americans to buy government-approved health insurance. The federal government has never before compelled its citizens to purchase any commercial product. Doing so contradicts the basic notions of freedom and individual choice

that we hold dear as Americans.

Quoting from the judge's 78-page ruling –

“It would be a radical departure from existing case law to hold that Congress can regulate inactivity under the Commerce Clause... it is not hyperbolizing to suggest that Congress could do almost anything it wanted.”

This individual mandate is just one example of how disastrous healthcare law simply goes too far. That is why I, along with a majority in the House of Representatives, have already voted to repeal the unconstitutional health care law. As the legal battles make their way to the Supreme Court, Congress must continue to work to repeal the Democrats' government takeover of health care and replace it with true health care reform that provides all Americans with access to affordable coverage that meets their needs.

Common sense, free-market reforms are what we need to improve health care. Tort reform, buying across state lines, empowering national associations to use economies of scale, health savings accounts, and tax equity are some of the leading proposals to reforming health care without expanding government, raising taxes, or putting bureaucrats between you and your provider.

By using numerous gimmicks, like counting 10 years of tax hikes against 6 years of spending, Democrats rigged the bill to get a misleading deficit score from CBO. This is not CBO's fault. They had to score the scenario they were given. Any realistic accounting shows that the law is a budget buster.

If fully implemented, the healthcare law is expected to cost \$2.6 trillion and increase the deficit by \$701 billion over ten years.

It could even be worse, as Washington habitually undercounts the cost of health care programs. When Medicare was created, Congress projected its cost for FY 1990 to be \$12 billion. They were off by more than 800 percent.

## **BIPARTISAN, COMMON SENSE LEGISLATION**

As you know, the Colorado delegation has a long history of working across party lines to promote common sense solutions. I recently introduced a resolution, H. Res. 67, with Representative Jared Polis of Boulder, aimed at limiting all bills to a single subject. The Resolution would ensure that Congress does not pass bills that contain unrelated amendments and items cobbled together. Members of Congress do this many times to avoid hearings on important policy. This practice also has the effect of adding spending costs to bills, thus driving

up the budget deficit. The so-called “Single-Subject” rule is already a rule of both Chambers of the Colorado General Assembly.

If something is important enough to warrant legislative action, it deserves to be fully and openly debated and voted on, not shoved into an unrelated bill and pushed through without a separate hearing. The people of Colorado, and the nation as a whole, deserve transparency in what laws are being passed by their elected representatives.

## **DEFENSE/NATIONAL SECURITY**

With so much focus on threats to our Constitution and our economy, people often seem to forget we are a nation at war and we face national security threats from every angle. Recent events in the Middle East have shown how intricately tied our national security can be to the stability of nations around the world.

One of the key roles of Congress is to provide for the defense of our nation. In the 112th Congress, I am honored to continue serving as a member on the House Armed Services Committee and the House Veterans' Affairs Committee. These committees are bi-partisan committees that have the nation's defense and her veterans at heart. As a member of both the Strategic Forces and Tactical Air and Land Subcommittees on the Armed Services Committee, I look forward to reaching across the aisle to work with my colleagues on vital national security issues.

Americans cannot take the peace of our homeland for granted. Around the world there are over 6000 ballistic missiles, not including the US, China, Russia, and NATO. Governments can collapse overnight, as we have seen just this past month in Tunisia and now, possibly Egypt. Threats from rogue states and terror groups are real, growing and unpredictable. They threaten regional stability, and, with the rise of ICBMs, can threaten the continental United States. Ship-launched missiles present a clear danger to American coastlines. As a co-founder of the Missile Defense Caucus, developing the United States' missile defense system is one of my highest priorities in Washington. We must keep America strong and safe for future generations.

Many of you are aware of Defense Secretary Gates' proposal to identify 100 billion dollars in efficiencies and an additional 78 billion dollars in cuts to the Department of Defense's top line over 5 years. I welcome the Secretary's initiative to reinvest 100 billion dollars in higher priority projects, provided this reallocation of funding does not raid the accounts of programs critical to national security. These reinvestments will include a more efficient way of acquiring satellites in the form of block buys, increase procurement of Evolved Expendable Launch Vehicles, hiring of additional behavioral counselors for returning soldiers, and accelerate fielding of new tactical

communications network for soldiers. All these initiatives have the potential to bring more jobs to the district and the state of Colorado and to ensure the safety and well being of our troops.

However, I do not believe cutting an additional 78 billion dollars from defense is the right place to start while this nation is still at war. Of particular concern is the announced cut of \$2.4 billion to the Missile Defense Agency, to include a cut of 360 Missile Defense Agency contractor positions. As details of these cuts are forthcoming, I will continue to monitor these proposals and do whatever I can to guard the assets of the 5th district, and all of Colorado, from any harmful and unnecessary cuts.

Colorado Springs is the hub of our nation's space and cyberspace missions and missile defense. This translates to a robust defense, aerospace, and technology industry in our community. We must put our emphasis and investments into growing our nation's workforce. Our future depends on our ability to continue innovating in space and cyberspace.

Last week we received the exciting news that the Army may be bringing a new combat aviation brigade to Fort Carson. The final decision will be announced March 7<sup>th</sup>. The 2,700 soldiers and their families are expected to begin transitioning to the Mountain Post in 2013. In preparation for the new brigade, the Army is expected to request \$224 million beginning the next year on new construction projects to support the aviation mission.

I recognized the need for this brigade from my earliest days in Congress and have been advocating for it for years. This is an exciting development for Fort Carson, Colorado Springs, and our larger national defense efforts.

This move would allow our ground troops to do more joint exercises with helicopters, thus more closely simulating actual combat situations. They will develop better teamwork. As we have learned from Afghanistan and Iraq, training must take place in an environment that closely reflects conditions in theater.

This aviation brigade would help support the long term viability of Fort Carson and would significantly enhance its war fighter capability.

To our veterans, I thank you for your service to this nation. Colorado's 5th District is home to about 100,000 veterans, and my hope is that this area will remain a retirement destination for military personnel for years to come.

On the Veterans' Affairs Committee, I have continually pushed for a new VA Cemetery in Southern Colorado.



A few months ago, I met with the Acting Undersecretary of the VA for an update on a VA national cemetery. The VA, for the first time ever, has officially declared its intent to build and fund a new cemetery in southern Colorado which is planned to be built in El Paso County. The environmental assessment must be completed before we can move on in the process.

- VA is currently proceeding with an environmental assessment process that started in March 2010 and is expected to be completed later this year.
- There will be a 30-day public comment period following completion of the Environmental Assessment.
- Barring any unresolved environmental or legal issues, the Kane Ranch appears to be the leading site.

The Kane Ranch site is seen as an excellent location based on many factors including its ability to support veterans living south of Monument Hill, including El Paso County, Pueblo, and all of southern Colorado.

Additionally, in an effort to provide our veterans with premium healthcare, Colorado Springs will soon gain a brand new and significantly larger Community-based Outpatient Clinic. The new VA clinic will more than double the size of the current clinic and increase the capacity to serve an additional 5,000-6,000 veterans. The site for the new clinic has been identified and the final due diligence is expected to be completed next week. At that point, the VA will announce the location of the new clinic. I am told we will have an opening in the fall of 2012.

For all you veterans, it is my honor to serve you in Congress. Thank you for your service and your sacrifice.

## **CLOSING**

To summarize, we as a nation have great challenges, but we have even greater potential. We know from looking back that Americans can overcome the biggest challenges this world can throw at us. We have prospered to become the mightiest and freest nation in the history of the world. We know what we need to do in Washington. We just have to go out and do it.

Yesterday we celebrated the centennial of Ronald Reagan's birth. He spoke of America as a shining city on a hill, and he inspired us all. He said once:

We cannot escape our destiny, nor should we try to do so. The leadership of the free world was thrust upon us two centuries ago in that little hall of Philadelphia. In the days following World War II, when the economic strength and power of America was all that stood between the world and the return to the dark ages, Pope Pius XII said:

The American people have a great genius for splendid and unselfish actions. Into the hands of America God has placed the destiny of an afflicted mankind.

We are indeed, and we are today, the last best hope of man on earth.

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